
REPORT TO:	HOUSING & COMMUNITY SERVICES COMMITTEE	AGENDA ITEM: 9
DATE OF MEETING:	21st APRIL, 2005	CATEGORY: DELEGATED
REPORT FROM:	DIRECTOR OF COMMUNITY SERVICES	OPEN
MEMBERS' CONTACT POINT:	MARK ALFLAT Ext. 5712	DOC: s:\cent_serv\committee reports\housing & community services\21 april 2005\proposed distribution of ringfences housing capital receipts.doc REF: MA/PMW
SUBJECT:	PROPOSED DISTRIBUTION OF RINGFENCED HOUSING CAPITAL RECEIPTS	
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE:

1.0 Recommendations

1.1 That Members approve the suggested distribution of the anticipated £1.4M Housing Capital Receipts.

2.0 Purpose of Report

2.1 To propose to Members the distribution of the "windfall" Housing Capital Receipts.

3.0 Detail

3.1 The Council became technically debt free of the 1st April, 2004. As a result of this over the next three financial years the Council is entitled to retain a higher proportion of its Capital Receipts from Council House sales than would have otherwise have been the case. Members have approved the anticipated £1.4M for regeneration of Private Sector Housing. This report proposes the breakdown of the uses of those finances and requests Members to use some of the funding to support Public Sector initiatives that benefit the residents of South Derbyshire District Council as a whole.

3.2 Both public and private sector housing have requirements for funding that cannot be completely met from existing finances. Any distribution is therefore an analysis of where the most benefit can take place from the available funding.

- 3.3 Following a Housing Stock Condition Survey of the private sector there is a need to invest in energy efficiency works, disabled facility grants and bringing empty homes back into use. In the public sector the Decent Homes target will be met ahead of the Government's deadline of 2010. There are needs for funding around disabled facility grants, environmental improvements and improvements to a road which overcomes severe access problems.
- 3.4 Demand for disabled facility grants outstrips the funding that the Government make available for what is a statutory grant. In order that disabled persons are not waiting for their adaptations for unacceptable periods due to lack of available finance, it is proposed that extra money is put into this area. With regards to environmental improvements a survey was carried out of disused sites in public sector ownership, for example where garages have been pulled down, that there is no funding to renovate these sites to improve the appearance of the area. With the sale of Council houses, Council housing and public sector housing are more integrated than in the past and any environmental improvements will benefit both sectors.
- 3.5 It is proposed, therefore, that funding be made available for improving these sites. Early discussions with Groundwork Erewash have indicated that match funding plus will be available from them for each site that they are involved in renovating. Members will be aware that in the new financial year funding has been made available for a partnership with Groundwork Erewash. Members will also be aware that Alma Road, Newhall has received no maintenance due to it being an unadopted road. The condition of this road has caused problems for Council tenants and support services in gaining access to their homes. It is proposed that funding be made available to bring the road up to an acceptable standard (although not adoptable) for the area that the Council is responsible for.
- 3.6 In order to allow maximum flexibility for public sector disabled grants, environmental improvements and the improvements to Alma Road it is proposed that a sum of £400,000 be set aside from the anticipated £1.4M Capital Receipts to fund these areas, and that the further £1M be used solely for private sector housing improvements with a particular emphasis to help the most socially deprived residents through, for example, thermal insulation works, disabled grants and staying put grants. The Head of Environmental Services will report to Committee his proposals for a programme of improvements works to allocate this capital. The Chair and Vice Chair will agree the actual distribution of the £400,000 receipts with the Director of Community Services.

4.0 Financial Implications

- 4.1 The £1.4M is anticipated receipts from the sale of Council houses over the next three years. It should be noted that sales may rise or fall depending on market conditions and this funding stream will be closely monitored.

5.0 Community Implications

- 5.1 Improvement of the environment and grants to help those most in need in the community are key Council aims.

6.0 Conclusions

- 6.1 The proposed distribution of funding allows maximum flexibility to respond to changing needs and will make a significant improvement to those most in need in the community and improvements to the environment will give an uplift to the whole community.

